

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of:

Petition for Reconsideration of)	
a decision of the Wireline Competition)	
Bureau by the Virginia State Department)	DA 02-1123
of Education)	
)	
Federal-State joint Board on)	
Universal Service)	CC Docket No. 96-45
)	
Changes to the Board of Directors of the)	
National Exchange Carrier Association)	CC Docket No. 97-21

Petition for Reconsideration

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Summary

The Virginia Department of Education Petitions the Wireline Competition Bureau to reconsider its Order (DA 02-1123) denying our Request for Review of a decision by the Schools and Libraries Division. We discuss the information available on how to determine common carrier status at the time of our Request for Review filing and how that guidance has changed since that filing. We provide new documentation from Autotote confirming that they offer telecommunications services on a common carrier basis. Finally, we ask that this new documentation be allowed into the record under provisions of CFR 47 Section 1.106 (l).

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Petition for Reconsideration of Wireline Competition Bureau decision on Virginia Department of Education's Request for Review of Universal Service Administrator Decision

In accordance with CFR Title 47 Part 1, Section 1.106, the Virginia Department of Education (DOE) respectfully petitions the Wireline Competition Bureau (WCB) to reconsider its decision denying DOE's Request for Review. With this petition, DOE provides clarification of facts presented in our initial Request for Review and corrections to evidence compiled by WCB staff in rendering their decision. We continue to believe that Autotote Communications Services (ACS), a wholly owned subsidiary of Autotote Corporation, was at the time our satellite transponder bid request was issued in December 1999, and continues to be, an eligible telecommunications common carrier.

Background Facts

In denying DOE's request for review, WCB pointed out that in the Fourth Reconsideration Order the Commission ruled that companies simply leasing bare transponder space are not providers of telecommunications services, rather the satellite transponder is a "midpoint or switch to another telecommunications company which, in

turn, uses its own earth-stations to provide end-to-end communications.”¹ We will provide public record evidence that Autotote provided end-to-end interstate telecommunications services via satellite on a common carrier basis.

While reviewing DOE’s Request for Review, WCB was unable to locate trade publication advertisements DOE included in its appeal to the Schools and Libraries Division (SLD) and therefore could not evaluate their merit.² The trade publication listings were indeed contained in a DOE appeal before SLD for ACS, as DOE had *two* simultaneous appeals before SLD regarding denials of discount requests provided by ACS.³ The first included the advertisements in question, the second did not; however the second appeal did reference the first appeal stating: “The Department also has an appeal pending for year two funding and is awaiting supporting documentation from SLD. This appeal will have material impact on the SLD year three denial cited above.”⁴

In our Request for Review, DOE argued that ACS designated its category of service on the Form 498 as “PRIV” by mistake because of confusing instructions. We made that argument based on the Common Carrier Bureau (CCB) Order in Joplin R8 School District Request for Review stating: “...declaring that Empire’s principal communications business is as a private service provider, which is not a common carrier provider and thus not eligible for funding for the provision of telecommunications services under the universal service support mechanisms.”⁵ We understand that subsequent to the Joplin decision, the category of service designation on the Form 498 would not automatically result in exclusion as an eligible telecommunications carrier.

¹ WCB Order on DOE Request for Review, DA 02-1123 at 7.

² WCB Order at 9

³ Letter of Appeal from Lan Neugent, Virginia DOE, Form 471 Number 134685, dated December 22, 1999, and Letter of Appeal from Lan Neugent, Virginia DOE, Form 471 Number 163045, dated May 10, 2000.

⁴ DOE May 10, 2000 Letter of Appeal at 3.

Rather, each service provider would be judged individually based on company Web sites, or contact with company officials. We were, however unaware when that change occurred and tailored our appeal as we perceived FCC regulations and SLD policy at the time.

Finally, WCB attempted to verify ACS's common carrier status through Autotote's Web site.⁶ We agree that the current Web site may lead one to question whether Autotote provides telecommunications services on a common carrier basis. The current Autotote Web site lists telecommunications services as a prepaid phone card service. This is the result of a merger between Autotote and Scientific Games Corporation in late 2000 and is not reflective of Autotote's telecommunications business in the winter of 1999 or spring of 2000. We will provide evidence from the current ACS Web site, cited in the WCB Order, the Autotote Web site of 2000, and other documents that ACS offered its telecommunications services on a common carrier basis - in addition to the aforementioned trade publication advertisements included in our appeal before the SLD.

We trust that the evidence provided herewith will persuade the WCB that ACS did offer interstate telecommunications services on a common carrier basis and is an eligible telecommunications carrier, able to received universal service support – and perhaps, as such, may also be required to *contribute* to the fund.

Discussion

We appreciate the effort WCB staff put into review of our case. It is obvious that many person hours of research were expended in the DOE Request for Review. In this

⁵ CCB Order on Joplin R8 Request for Review, DA 99-2798 at 6.

⁶ WCB Order at 8

Petition for Reconsideration, DOE will attempt to provide all information necessary to reduce WCB staff time required to render a decision and overturn its initial decision.

From the outset, DOE must remind WCB that evaluation of non-telephone companies for common carrier status is an in-exact science at best. While great strides have recently been made informing the E-Rate applicant community on the common carrier eligibility status of companies⁷, such information was not available when DOE submitted our original application, our initial appeal to SLD, or our Request for Review. This information will assist future applicants seeking telecommunications services from non-telephone companies. We also note that as late as June 1999, the common carrier question was elusive, as outlined on the Schools and Libraries Board Minutes of the June 17, 1999 meeting: "On the common carrier issue, Mr. Haga informed the committee that although this is a difficult subject on which to make clear cut distinctions, SLD staff is working on proposals to translate the issue into concrete procedures to address the common carrier definition."

When we filed our initial Request for Review, filed with the Commission on April 16, 2001, the only criteria for evaluating whether a company offered telecommunications on a common carrier basis was the Fourth Reconsideration Order, released by the FCC on December 30, 1997, the Eligible Services List (ESL) dated December 2, 1999, the Decision in Joplin R8, released December 14, 1999, and our successful year one funding request for Autotote services. Primarily based on the Joplin Decision, that companies that list their category of service on the Form 498 as "PRIV" or "NTP" were categorically ineligible to receive reimbursement for telecommunications services,⁸ we felt it

⁷ See FCC Telephone Company Locator on FCC "Search" site and SLD BEAR/SPIN search feature on SLD Web site, both made available in 2001.

⁸ Joplin R8 Order at 6.

imperative in our Request for Review to stress that ACS had mistakenly classified itself as “PRIV” due to unclear instructions.⁹ We now understand that listing PRIV or NTP is no longer reason for exclusion as a telecommunications common carrier and that issue is now moot.¹⁰

Aside from Joplin, the primary determining factors for evaluating the common carrier status of companies during the review period of DOE’s year three E-Rate discount application appear to hinge on wording in the December 1999 ESL and the Fourth Reconsideration Order. In its decision, WCB correctly cites the Fourth Reconsideration Order that leasing bare transponder space does not constitute a telecommunications service, as the leased satellite transponder is simply a mid point or switch verses end-to-end service.¹¹ Additionally, WCB determined Autotote’s primary business is not related to common carrier service based on Autotote’s Internet Web site at the time of WCB’s review.¹² We note, however that in the footnote for that statement, WCB includes a Web listing for Autotote Communications Services (ACS), a wholly owned subsidiary of Autotote Corp. and entity that contracted with DOE to provide satellite service, as “...the leading provider of simulcasting services in the United States of America, servicing over fifty tracks and broadcasting over 5,500 racing events each year.” This statement provides a hint that ACS is currently a telecommunications service carrier, but does not absolutely prove that ACS provides telecommunications service on a common carrier basis - or provided common carrier service at the time of DOE’s application.

⁹ Virginia DOE Request for Review at 6.

¹⁰ Cross reference FCC Telephone Company Locator and SLD BEAR/SPIN search to find several companies listed on the Database as PRIV or NTP while listed as eligible telecommunications providers on the BEAR/SPIN search – PanAmSat and Time Warner Communications – El Paso, for example.

¹¹ WCB Order at 7.

¹² WCB Order at 8.

Fourth Reconsideration Order. In its Fourth Reconsideration Order, the FCC discusses universal service contribution requirements of satellite providers and provides greater clarity on what aspect of satellite service is and is not a telecommunications service. As explained in the Fourth Order:

The obligation of satellite providers to contribute to universal service as mandatory contributors does not relieve them of their obligation to contribute as other providers of interstate telecommunications. Therefore, if a satellite provider offers interstate telecommunications on a common carrier or non-common carrier basis, it must contribute to universal service, unless otherwise excluded.¹³

The Fourth Order goes further to explain:

Based on the descriptions by PanAmSat and other commenters of the very limited activity that satellite providers engage in when they lease bare transponder capacity, it appears that, for purposes of the contribution requirements under section 254 of the Act, satellite providers do not transmit information when they lease bare transponder capacity. Satellite providers, therefore, are not required to contribute to universal service on the basis of revenues derived from the lease of bare transponder capacity. We emphasize that this conclusion is premised on the accuracy of the uncontested representations by satellite providers of what is involved in the lease of bare transponder capacity. We might reconsider our determination if presented with different factual evidence. Satellite providers must, however, contribute to universal service to the extent they provide interstate telecommunications services and interstate telecommunications.¹⁴

The language of the Fourth Order clearly outlines requirements for satellite providers to be designated as telecommunications carriers, as telecommunications carriers required to contribute to the universal service fund, and common carriers eligible to receive reimbursement from the fund. We believe the evidence provided on ACS' Web site, advertisements in trade publications, and in other official filings will leave no doubt that

¹³ Fourth Reconsideration Order at 288.

¹⁴ Fourth Reconsideration Order at 290.

ACS, and by extension its parent, Autotote Corp. provides interstate telecommunications service on a common carrier basis.

Because Autotote issues stock and is traded on national stock exchanges, Autotote must file financial reports with the Federal Securities and Exchange Commission (SEC). In the Internet connected world in which we now live, the SEC (like the FCC) makes filings available to the public via the Internet. The SEC uses a system called “EDGAR” to provide a searchable database of all corporate filings. Also, DOE printed the text of the ACS Web site of early 2000 and provides it with this Petition as Attachment 1. The language of the Web site provides evidence that ACS provided end-to-end telecommunications services on a common carrier basis: “Finally, Autotote Communication Services has the privilege of providing satellite and uplink services to most major commercial broadcasting and satellite networks such as ABC, CBS, NBC, FOX TV, ESPN, HBO, PanAmSat, GlobeCast and many others....ACS has the largest fleet of transportable earth stations (uplink trucks) in the United States with 25 C-band uplink vehicles. They are fully licensed by the FCC and equipped for digital or analog transmissions.”

Each January Autotote Corporation, parent company of ACS, files its annual financial report with the SEC. The report, known as a 10-K, contains detailed information on the activities of the company and its subsidiaries. We provide excerpts and Internet link to Autotote’s SEC filing of January 2000, in Attachment 2. This filing contains company information during the time SLD was evaluating DOE’s E-Rate discount application and would have been helpful to SLD staff with determination of Autotote’s eligibility as a telecommunications common carrier. In its filing, Autotote asserts:

In our simulcasting operations, we lease satellite transponders and use

digital signal compression technology to increase the number of events that may be broadcast on each transponder at one time. We own mobile earth stations which uplink the video and audio signals of racetrack and jai alai events to our controlled satellite transponders and we own integrated receiver/decoders which are used by racetracks and OTBs to receive and decode the simulcast signals.

Clearly, this statement describes an end-to-end telecommunications network operated by Autotote in that Autotote provides uplink facilities at one site, transmits information via satellite, and receives the downlink signals with company owned equipment and then provides that information to its customers. Other information within the filing indicates the transmissions occur interstate.

Information on the ACS Web site in Attachment 1, coupled with trade publication advertisements in Attachments 3, 4, and 5 clearly show that ACS made itself available on a common carrier basis not only for satellite transponder lease but also for turnkey video conferencing and video conferencing transmission/reception. By advertising such services and statements in its SEC filing, ACS verifies that it provides "...transmission, between or among points specified by the user, of information of the user's choosing without change in the form or content of the information as sent and received."¹⁵ Thus, ACS offers telecommunications on a common carrier basis.

Eligible Services List. The other factor in determination of eligibility for E-Rate discounts is the Schools and Libraries Eligible Services List (ESL). In the December 2, 1999 version of the ESL, Satellite Service is listed as eligible "...to participate in academic symposiums, or lectures, and for access to the Internet..." Satellite service leased by DOE is used to transmit foreign language and advanced placement K-12 classes from "electronic classrooms" located in commonwealth schools via satellite to numerous receive schools. The program strives to provide such courses at schools where

a qualified teacher is unavailable or there are too few students to justify hiring a full-time teacher. Historically the program typically serves small schools or schools located in rural or remote areas. Satellite delivery has proved to be the most efficient way to reach large numbers of these students reliably and economically. We feel that there is no question that E-Rate discounts on the services for which we apply comply with both the letter and spirit of the Telecommunications Act, FCC regulations, and SLD policies.

Appeals to the SLD, requests for information, and Request for Review. The road to this filing was somewhat circuitous and confusing. We filed two Appeals with the SLD on denials of our E-Rate discount requests for Autotote within six months of each other. The first was filed on December 22, 1999 for denial of our year two application. When notification of the year two denial was delivered to DOE, the bidding process for our year three satellite service contract was well under way and the low bidder in our year three bid was ACS. Because we felt SLD had wrongfully denied our year two application, we authorized selection of ACS as our service provider for year three and filed the Form 471 within the filing window.

In January 2000, Greg Weisiger, Administrator of the electronic classroom program and DOE E-Rate point person, wrote Cheryl Parrino, CEO of the Universal Service Administrative Company, requesting specific information relative to our year two denial. That letter is included here as Attachment 6. Information requested in the letter generally pertains to unanswered questions regarding how SLD evaluates companies for eligible common carrier status. The letter also requests that requested information be made available to DOE prior to issuance of a decision, because of the then short time span of 30 days available to file Requests for Review with the FCC. To date, SLD has

¹⁵ Fourth Reconsideration Order at 267.

withheld a decision on our year two appeal. Our year three appeal to SLD was a simple one page appeal referencing our year two appeal and our pending request for supporting documentation from SLD and the fact that said documentation will have a material impact on the year three denial. While SLD has withheld judgement on our year two appeal as they consulted with the FCC on what information should be made available to DOE, they did deny our year three appeal, which resulted in our Request for Review with the FCC and ultimately this Petition for Reconsideration. Because the two appeals to the SLD are inexorably linked, and clarifying information requested in the year two appeal would have resulted in a much more thorough Request for Review to the WCB, we ask that any new information provided in this Petition for Reconsideration by DOE be considered on as though it was in the initial Request for Review. For its part, SLD has agreed to withhold judgement on DOE's year two appeal until such time as DOE can provide SLD with a copy of this Petition for Reconsideration and SLD can consider arguments provided herein. The two Letters of Appeal on SLD's year two and three decisions are included here as Attachments 7 and 8.

The WCB stressed that it was DOE's responsibility to ensure that ACS was an eligible telecommunications carrier.¹⁶ In year one of the E-Rate program ACS was funded for satellite services to DOE. While we were concerned that a denial letter arrived for our year two service the very week we were considering bids for year three service, we were confident that ACS would ultimately be considered an eligible telecommunications carrier. Other pressing factors included state procurement regulations and the fact that the year three filing window deadline loomed in mid January and time was of the essence. We understand the fact that we were funded in the past has

¹⁶ WCB Order at 12.

no legal standing in this Petition for Reconsideration, but because SLD or the FCC had not named Autotote as a vendor that had incorrectly received telecommunications funding, we were more comfortable that the year two denial was a mistake.

Additionally, because year one funding was approved by SLD for ACS services *after* issuance of the Fourth Reconsideration Order and the SLD denial letters for year two or three did not specifically cite the Fourth Reconsideration Order excluding sellers of bare satellite bandwidth from inclusion in the family of eligible telecommunications carriers, coupled with the fact, mentioned above, that Autotote was not included on the list of improperly funded carriers, DOE concluded that the reason for denial logically must have been because of Autotote's designation of "PRIV" on the form 498, rather than a violation of the Fourth Reconsideration Order. It was not until the WCB denied our Request for Review did we realize the crucial underlying issue was the Fourth Reconsideration Order and therefore ask that the facts presented in this Petition for Reconsideration be considered new information for the record, unknown to us at the time of our initial Request for Review.

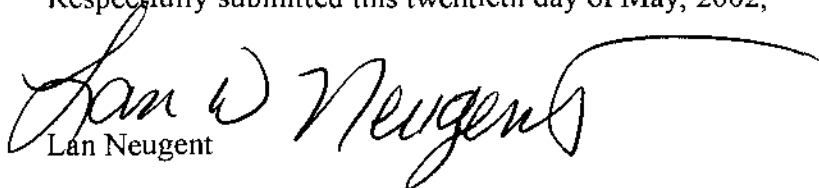
Finally, WCB noted that SLD repeatedly contacted Autotote and was unable to verify its common carrier status.¹⁷ DOE is at a loss to explain why Autotote would not provide SLD with information verifying that it was a common carrier, when such information was readily available on Autotote's Web site and SEC filings. One possible reason for not being forthcoming with information to SLD would be the potential for USAC to require Autotote to contribute universal service fees on its domestic interstate telecommunications transmissions resulting in significant monetary liability for the company. The Schools and Libraries 471 PIA Review Contact Report is included as

¹⁷ WCB Order at 8.

Attachment 9. We wish to bring to the WCB's attention a factual error on the contact report. In the 4/13/2000 entry, it was reported that an attempt was made to contact President Bob Patterson. Mr. Patterson is President of SpaceConnection, a competitor of ACS and in no way related to either our year two or year three E-Rate applications. We are concerned that PIA may have contacted the wrong company and relied on inaccurate information provided by the president of a company that unsuccessfully bid on our satellite transponder requests in both years two and three. SpaceConnection is our current satellite vendor and is included as the vendor of choice for our year four E-Rate application, still under review at SLD.

The Virginia Department of Education is appreciative of the FCC for its oversight of the E-Rate program and for regulations allowing for multiple reviews of decisions. We are hopeful that the WCB agrees with the facts presented in this Petition, recognizes ACS as an eligible telecommunications carrier and remands our year three application to SLD for further processing. If there are any questions concerning this Petition or facts presented, please contact Greg Weisiger at the Virginia Department of Education at (804) 692-0335.

Respectfully submitted this twentieth day of May, 2002,


Lan Neugent

Assistant Superintendent for Technology

**Virginia Department of Education
P.O. Box 2120
Richmond, Virginia 23219**

Virginia Department of Education Petition for Reconsideration of DA 02-1123
Attachment 1

Simulcasting- broadcasting, the race video from a live track to other tracks and off-track-betting facilities - brings racing from over 200 tracks in North America to fans in over 800 locations. It is also the fastest growing market segment in racing today.

Autotote Communication Services (ACS) is the leader in providing simulcast services in the United States of America, providing service to over fifty tracks and broadcasting over 5,500 racing events each year. The Company is also growing rapidly in the international simulcasting services arena in Europe and other regions. These capabilities are being increasingly recognized throughout the world as an ever growing number of racing operations have selected ACS as their worldwide partner for production and simulcasting services.

ACS (and its predecessors Sugarman Productions and IDB Broadcast Group) has been involved in the production and broadcast of sporting events since 1961 and horse racing since 1971. In 1975 at the Pan Am games in Mexico City, the company made its first use of satellite broadcasting technology and brought this technology to racing in 1984 when it became the simulcast provider for all of the Off-Track-Betting organizations in New York State. All of ACS' networks converted to compressed digital technology in 1995. With the addition of German Harness racing in 1997 and Dutch racing in 1998, ACS became the leading simulcasting provider, worldwide.

ACS has also obtained the rights for the international transmission of live racing signals from many of its U.S. racetracks. A number of race tracks that are not ACS' domestic customers have also united with the Company for the broadcast of their performances to the international markets. ACS arrangements for broadcast include the transmission of racing signals to Europe, South America, the Caribbean, Africa and the Far East either as stand alone broadcasts or in combined packages of a groups of race signals in a multi-track production.

Autotote Communication Services is the simulcast provider for all Harness events throughout Germany. A ten year agreement encompasses over 575 racing performances each year. During this time, ACS and its affiliate companies provide an array of services which include the broadcast and marketing of German racing signals throughout Germany and abroad, a national telephone betting system, upgraded and centralized totalisator

services, new pari-mutuel off-track-betting (OTBs) facilities and interfaces to Internet wagering, cable and direct TV. Immediate plans also include the broadcast of signals to other European countries.

ACS is developing similar relationships in other major European countries to provide a combination of TV production services, domestic simulcasting and the international broadcast of racetrack signals to the United States, to participate in a European Racing Channel and to bring U.S. racing to

Europe.

Finally, Autotote Communication Services has the privilege of providing satellite and uplink services to most major commercial broadcasting and satellite networks such as ABC, CBS, NBC, FOX TV, ESPN, HBO, PanAmSat, GlobeCast and many others. ACS provides satellite and uplink services for over 3,000 broadcasts annually including sports events, news gathering and television programming.

ACS has the largest fleet of transportable earth stations (uplink trucks) in the United States with 25 C-band uplink vehicles. They are fully licensed by the FCC and equipped for digital or analog transmissions. These trucks are maintained by ACS's engineering staff to its own high standards which meet the very demanding needs of our many commercial television and

racing

customers. Because ACS owns its own vehicles, we are assured of the quality and availability of vehicles and have added flexibility in meeting the needs of our customers. ACS is also developing a fleet of Ku Band vehicles for use in Europe.

ACS first utilized digital compression which is now the racing industry standard. The Company started utilizing digital compression in 1993 and

now

operates all of its racing networks in fully compressed digital mode. Digital compression offers advantages of improved security, enhanced picture

quality

and reduced satellite cost. While many other suppliers now utilize digital compression, ACS continues its commitment to leading the industry and building on improvements to the technology for our customers.

ACS has the largest available satellite capacity of any supplier to the racing industry. Within the United States, ACS leases a total of six transponders on the GE Americom GE2 satellite. ACS maintains this inventory of transponders to provide for the expanding needs of its

customers

and for satellite redundancy in the rare event of a satellite incident.

[Corporate Info] [Pari-Mutuel] [Venue Mgmt.] [Lottery] [Home1999]

Copyright ©1999,2000, Autotote Corporation 750 Lexington Ave. New York, NY 10022 ph:
212-754-2233 fax: 212-754-2372

Virginia DOE Petition for Reconsideration
Attachment 2

Autote Annual Report for period ending October 31, 1999
Filed with the Securities and Exchange Commission January 28, 2000
SEC file number 001-11693
<http://www.sec.gov/Archives/edgar/data/750004/0001005477-00-000363.txt>

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Simulcasting and Telecommunication Services

We are one of the leading providers of simulcasts of live horse and greyhound racing and jai alai events to racing facilities, OTBs and casinos in North America and Europe. We simulcast racing events from over 60 racetracks and jai alai frontons to more than 150 racetracks and more than 750 OTBs throughout North America, and from and to 29 racetracks, and to more than 200 OTBs and bookmaker shops, in The Netherlands and Germany.

Simulcasting is the process of transmitting the audio and video signal of a live racing event from a facility for reception by wagering facilities in other locations, usually by satellite. Simulcasting provides racetracks the opportunity to increase revenues by sending their signals to additional wagering locations, such as other racetracks, OTBs and casinos. Sending live audio and video broadcasts of remote racing events generates increased revenues for us and our customers by increasing the consumer base for the remote events and by maximizing the number of events a patron is able to wager upon by eliminating the idle time between live race events.

In our simulcasting operations, we lease satellite transponders and use digital signal compression technology to increase the number of events that may be broadcast on each transponder at one time. We own mobile earth stations which uplink the video and audio signals of racetrack and jai alai events to our controlled satellite transponders and we own integrated receiver/decoders which are used by racetracks and OTBs to receive and decode the simulcast signals.

In general, we receive a daily event fee from the racetracks for uplinking the video and audio signals and a monthly fee from racetracks and OTBs and casinos for the use of our decoders which are needed to unscramble the simulcast transmission. In addition, we often sell any excess satellite transponder capacity to other users of satellite communications outside the Racing Industry. Such sales are generally for short-term periods, but, from time to time, we have sold such excess capacity under long-term contracts.

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Simulcasting

The Federal Communications Commission (the "FCC") regulates the use and transfer of earth station licenses used to operate our domestic simulcasting operations.

Virginia Department of Education Petition for Reconsideration
Attachment 2
Page 2

At present, 43 states, Puerto Rico, all of the Canadian provinces, Mexico and many other foreign countries authorize inter-state and/or intra-state pari-mutuel wagering, which may involve the simulcasting of the races in question. Licensing and other regulatory requirements associated with such simulcasting activities are similar to those governing pari-mutuel wagering, and are generally enforced by pari-mutuel regulators. In addition, contracts with host tracks whose races are simulcast by us to other facilities within or outside the jurisdictions in which such races are held may be subject to approval by regulatory authorities in the jurisdictions from and/or to which the races are simulcast. We believe that we are in substantial compliance with applicable regulations and that we, and/or the appropriate third parties, have entered into contracts and obtained the necessary regulatory approvals to lawfully conduct current simulcast operations.

Virginia Department of Education Petition for Reconsideration of DA 02-1123

Attachment 3

TRANSMISSION, VSAT
TRANSPONDER BROKERS, OCCASIONAL USE CAPACITY

FinnSat Oy
Seinäjoki, FINLAND +358 (64)414 3110
GE American Communications
Princeton, NJ USA (609)987-4000
Globe Telecom
Ermita Manila
PHILIPPINES +63 (2)521-3550
Interputnik (International Organization of Space
Communications)
Moscow, RUSSIA +7 (095)244 0333
Keystone Communications
New York, NY USA (212)886-8700
Leasat Systems Inc.
Stillwater, OK USA (405)377-6100
NSN Network Services
Avon, CO USA (970)949-7774
Orion Atlantic LP
Rockville, MD USA (301)258-3233
OrionNet Inc.
Rockville, MD USA (301)258-8101
Pittsburgh International Teleport
Pittsburgh, PA USA (800)634-6530
PT Abhimata Citra Abadi
Jakarta, INDONESIA +62 214-205441
Satellite Services
Englewood, CO USA (303)890-4552
SpaceLine Communications Services GmbH
Düsseldorf, GERMANY +49 2119-877-574
Swedish Space Corporation
SWEDEN +46 (8)627 6200
Televison New Zealand Satellite Services
Auckland, NEW ZEALAND +64 (9)375-0790
Turk Telekom — Satcom Department
Ankara, TURKEY +90 312-313-15-50
U.S. Satellite Corporation
Murray, UT USA (801)263-0519
Vector Communication Network
Miami, FL USA (305)591-9613
Vitamco Corporation — A Cable & Wireless Company
Mountain View, CA USA (415)943-4400
Voyager Telecommunications Inc.
Manassas, VA USA (703)551-2075
Voyager Telecommunications Inc.
Tucson, AZ USA (703)551-2075

TRANSPONDER BROKERS, LONG- TERM CAPACITY

Arrix Corporation Limited
Bangalore, INDIA +91 (0)803-34474
Autotote Communication Services Inc.
New York, NY USA (212)753-6024
BAF Communication Ltd.
Redditch, Warwickshire
UNITED KINGDOM +44 1527-597-850
BAF Communications Corporation
Sanford, FL USA (407)324-8250
(800)633-8223
BAF Communications Corporation — European Sales
and Services Ematic
Zaventem, BELGIUM +32 27-252-215
B&P The Spaceconnection Inc.
North Hollywood, CA USA (818)754-1100
Broadcast Satellite International Inc.
Piano, TX USA (972)250-1100
Centrex Communications Corporation
Warwick, NY USA (914)987-1888
Columbia Communications Corporation
Bethesda, MD USA (301)907-8800
(888)907-8800
Comsat Corporation
Bethesda, MD USA (301)214-3000
Conus Communications Inc.
Minneapolis, MN USA (612)642-4645
Crawford Satellite Services
Atlanta, GA USA (770)876-7149
Dallas Fort Worth Teleport Ltd.
Irving, TX USA (214)869-1800

Diversified Communications Inc. (DCI)
Washington, DC USA (202)776-4300
(800)333-0010

Educational Television Services
Stillwater, OK USA (405)744-5960
EFC Startime
Los Angeles, CA USA (310)823-8447
Empresa Brasileira de Telecomunicacoes (Embratel)
Centro - Rio de Janeiro
BRAZIL +55 (21)5197444
+55 (21)5197461

Fifth Dimension Communications Corporation
Ottawa, ON CANADA (613)737-7333
(800)885-1471
(800)287-1221

Florida Public Broadcasting Service Inc.
Tallahassee, FL USA (904)414-9990
GE American Communications
Princeton, NJ USA (609)987-4000
GE Starways
McLean, VA USA (703)848-1224
Group W Network Services
Stamford, CT USA (203)965-6000
Gunner Communications Inc.
Stone Mountain, GA USA (404)834-1288
(800)792-1201

Holmdel International Operations Center — A Service
of MTN-Maritime
Telecommunications Network
Fairfield, NJ USA (201)882-4185
Intelcom Group Inc.
Englewood, CO USA (303)397-4100
Japan Business Television Inc. (JBTV)
Atlanta, GA USA (770)612-0070
Japan Business Television Inc. (JBTV)
Tokyo, JAPAN +81 (03)3470-3080
Kansas City Teleport
Kansas City, MO USA (816)753-0020
Kelly Broadcasting Systems Inc.
West Orange, NJ USA (201)736-0800
Keystone Communications
New York, NY USA (212)885-8700
Keystone Communications Corporation
Culver City, CA USA (310)845-3900
Leafield Communications Inc.
Jefferson City, MO USA (573)893-7200
Loral SKYNET Satellite Services
Beverly Hills, CA USA (800)847-8335
Media Casting Telecommunication Inc.
Brossard, PQ CANADA (514)928-0040
Microspace Communications Corporation
Raleigh, NC USA (919)850-4500
Mobile Video Services Ltd.
Washington, DC USA (202)331-8882
Nahuelat S.A.
Buenos Aires, ARGENTINA +54 (1)327-2292
North American CLS Inc.
Largo, MD USA (301)341-1814
NSN Network Services
Avon, CO USA (970)949-7774
Orion Atlantic LP
Rockville, MD USA (301)258-3233
Rainbow Network Communications
Woodbury, NY USA (516)396-3553
Satellite Broadcasting Inc.
Englewood, CO USA (303)790-1110
Satellite Management International Inc.
Piano, TX USA (214)881-1700
Satellite Network Television Corporation
Princeton, NJ USA (609)987-1400
Shinawatra Satellite Public Company Ltd.
Nonthaburi, THAILAND +66 (2)591-0738 to 49
Southern Exposure Satellite Communications Inc.
West Palm Beach, FL USA (407)379-6041
SpaceCom Systems Inc.
Tulsa, OK USA (800)950-6690
SpaceLine Communications Services GmbH
Düsseldorf, GERMANY +49 2119-877-574
STAR Satellite Television and Radio Inc.
Newport Beach, CA USA (714)645-5444
Starbird Satellite Services
London
UNITED KINGDOM +44 171-410-5255
Swedish Space Corporation
SWEDEN +46 (8)627 6200
Synergistic Technologies Inc.
Pittsburgh, PA USA (412)928-0448
Taurus Communications Inc.
Framingham, MA USA (508)877-2210

Telecomunicaciones de Mexico
Col. Navarre, DF MEXICO +52 (5)628-1173
Teleport London International
Gerrards Cross, Buckinghamshire
UNITED KINGDOM +44 1494 874 974
Videocom Satellite Associates Inc./Videocom Teleport
Boston
Dedham, MA USA (617)329-4080
Vista Satellite Communications Inc.
Coral Springs, FL USA (954)755-7985
Voyager Telecommunications Inc.
Manassas, VA USA (703)551-2075
Voyager Telecommunications Inc.
Tucson, AZ USA (703)551-2075
The World Organization Ltd.
Los Angeles, CA USA (310)826-0487

TRANSPONDER BROKERS, OCCASIONAL USE CAPACITY

Atlantic Satellite Communications Inc.
Northvale, NJ USA (201)784-0555
Autotote Communication Services Inc.
New York, NY USA (212)753-6024
BAF Communication Ltd.
Redditch, Warwickshire
UNITED KINGDOM +44 1527-597-850
BAF Communications Corporation
Sanford, FL USA (407)324-8250
(800)633-8223
BAF Communications Corporation — European Sales
and Services Ematic
Zaventem, BELGIUM +32 27-252-215
B&P The Spaceconnection Inc.
North Hollywood, CA USA (818)754-1100
Broadcast Satellite International Inc.
Piano, TX USA (972)250-1100
Centrex Communications Corporation
Warwick, NY USA (914)987-1888
Columbia Communications Corporation
Bethesda, MD USA (301)907-8800
(888)907-8800
Comsat Corporation
Bethesda, MD USA (301)214-3000
Conus Communications Inc.
Minneapolis, MN USA (612)642-4645
Dallas Fort Worth Teleport Ltd.
Irving, TX USA (214)869-1800

DCT Satellite
Fort Lauderdale, FL USA (954)791-6711
(800)683-3873

Digital Communications Technology
Fort Lauderdale, FL USA (954)791-6711
(800)883-3873
(954)328-9541, 24 hours

Diversified Communications Inc. (DCI)
Washington, DC USA (202)776-4300
(800)333-0010

Fifth Dimension Communications Corporation
Ottawa, ON CANADA (613)737-7333
(800)585-1471
(800)267-1221

Florida Public Broadcasting Service Inc.
Tallahassee, FL USA (904)414-9990
GE Starways
McLean, VA USA (703)848-1224

Virginia Department of Education Petition for Reconsideration of DA 02-1123

Attachment 4

MISSION/RECEPTION
RENCING, TURNKEY

Rosebud Productions Inc.
Boca Raton, FL USA (800)393-1247
(407)362-5677

RXL Pulitzer
Spokane, WA USA (509)536-7919

San Diego Teleproductions
San Diego, CA USA (619)293-7777

San Francisco Satellite Center
Vallejo, CA USA (415)406-1950

Satellite Broadcasting Inc.
Englewood, CO USA (303)790-1110

Satellite Communication Systems
Wauconda, IL USA (708)526-3020
(800)872-5465

Satellite Management International Inc.
Dallas, TX USA (214)392-0880

Satellite Network Systems Inc.
St. Paul, MN USA (612)644-2200

Satellite & Production Services
Tallahassee, FL USA (904)893-5821
(800)756-3048

Satellite Systems Corporation — Communication
Products Division
Virginia Beach, VA USA (904)463-3553

Satellite TV Systems
Silom Springs, AR USA (501)524-6254

Scanlan Communications Inc.
Traverse City, MI USA (616)946-2900

SCETV Teleconference Design Group
Columbia, SC USA (803)737-3449

SDTV — San Diego Teleproductions
San Diego, CA USA (619)293-7777

Skehan Televideo Service Inc.
Washington, DC USA (202)543-2323

Southern Exposure Satellite Communications Inc.
West Palm Beach, FL USA (407)379-6041

Spectrum Satellite Inc.
Richmond, CA USA (510)525-0126

STAR Satellite Television and Radio Inc.
Newport Beach, CA USA (714)645-5444

Stellar Communications Inc.
Bedminster, NJ USA (908)781-6699

Sure Shot Transmissions Inc.
New Middletown, OH USA (216)542-0900

Swedish Space Corporation
SWEDEN (8)627 6200

Taurus Communications Inc.
Framingham, MA USA (508)877-2210

Tele-Measurements Inc.
Clifton, NJ USA (201)473-8822

Teleconferencing Technologies Inc. — Newgen
Corporation
Manchester, MO USA (800)544-8755
(314)227-6996

Telehop Microwave Inc.
Fresno, CA USA (209)226-1868

Teleport Chicago/MRC
Skokie, IL USA (708)674-7484

Teleport Communications Group
Staten Island, NY USA (718)355-2000

Teleport Minnesota
Minneapolis, MN USA (612)330-2639

TLC Productions Inc. dba Tele-Link
North Miami, FL USA (305)944-9424

TNT Communications Inc.
New York, NY USA (212)644-0200

Tracstar — Division of Teletheatre Plus Inc.
Phoenix, AZ USA (602)878-4407

TSC Systems
Lawndale, CA USA (310)370-5513

TSD Communications Services
Arlington, VA USA (703)522-7745

University of Arizona
Tucson, AZ USA (520)621-8632

University of Oklahoma Television and Satellite
Services
Norman, OK USA (405)325-6888

UNO Television
Omaha, NE USA (402)554-2518

Upsouth Corporation
Atlanta, GA USA (770)325-0818

U.S. Satellite Corporation
Murray, UT USA (801)263-0519

Videocom Satellite Associates Inc./Videocom
Teleport Boston
Dedham, MA USA (617)329-4080

Vision Communications
Detroit, MI USA (313)873-7200

VISTA Satellite Communications Inc.
Boca Raton, FL USA (407)362-0500

Voyager Telecommunications Inc.
Tucson, AZ USA (703)551-2075

Voyager Telecommunications Inc.
Manassas, VA USA (703)551-2075

Vyvx
Tulsa, OK USA (800)324-8688

Washington International Teleport Inc.
Alexandria, VA USA (703)914-0014

WCET
Cincinnati, OH USA (513)381-4033

WDCA-TV
Bethesda, MD USA (301)986-8322

WENH
Durham, NH USA (603)868-1100

WEWS Scripps Howard Broadcasting Company
Cleveland, OH USA (216)431-5555

WHA-TV
Madison, WI USA (608)263-3673

WITF Communications Inc.
Harrisburg, PA USA (717)232-5618

WLFB — Louisiana Public Broadcasting
Baton Rouge, LA USA (504)767-5660

WNDU-TV/Golden Dome Productions
South Bend, IN USA (219)631-1616

WNIT
Elkhart, IN USA (219)674-5961

WOI Radio Uplink Services
Ames, IA USA (515)294-1544

Worldwide Television News
New York, NY USA (212)362-4440

WOSU AM/FM TV
Columbus, OH USA (614)292-9678

WPBA Television
Atlanta, GA USA (770)827-8900

WPBT
Miami, FL USA (305)949-8321

WQED Pittsburgh
Pittsburgh, PA USA (412)622-1508

WRGB-TV
Schenectady, NY USA (518)381-4915

WSPA-TV Spartan Communications Company
Spartanburg, SC USA (803)576-7777

WSRE
Pensacola, FL USA (904)484-1200

WTXL-TV
Tallahassee, FL USA (904)893-3127

Xenas Communications Corporation dba Envision
Cincinnati, OH USA (513)621-2729

VIDEO- CONFERRING, TURNKEY

Actuator Service Center
Louisville, KY USA (800)624-6135

Am Russ Com
Anchorage, AK USA (907)349-0003

American Communication Services Inc.
Elmhurst, IL USA (708)941-8352

AntennaPro Inc.
Denver, CO USA (303)369-5666

ATCI/Antenna Technology Communications Inc.
Mesa, AZ USA (602)264-7275

AT&T Tridom
Marietta, GA USA (770)426-4261
(800)346-1174

Auburn University Satellite Uplink
Auburn, AL USA (334)844-5707

Autosound Communication Services Inc.
New York, NY USA (212)753-6024

BLR Communications Inc.
Ellicott City, MD USA (800)442-9189
(410)750-1400

B&P The Spaceconnection Inc.
Van Nuys, CA USA (818)909-9966

Broadcast Satellite International Inc.
Piano, TX USA (214)250-1100

California State University — Chico
Chico, CA USA (916)898-6105

Communication III
Columbus, OH USA (614)294-4445

Comtel
Miami, FL USA (305)948-9116

Cycle Sat Inc.
Forest City, IA USA (515)582-6999

Dallas Fort Worth Teleport Ltd.
Irving, TX USA (214)869-1800

Diversified Communications Inc. (DCI),
formerly Professional Video Transmission
Services (PVTs)
Washington, DC USA (202)775-4300
(800)333-0010

Educational Television Services
Stillwater, OK USA (405)744-5960

Fifth Dimension Communications Inc.
Ottawa, ON CANADA (613)737-7333
(800)565-1471
(800)267-1221

Chuck Frankel Productions Inc.
Glenview, IL USA (708)657-1107

GBH Productions
Boston, MA USA (617)492-9273

GE Capital Spacenet Services Inc.
McLean, VA USA (703)848-1000

Kathleen Gilroy & Associates
Cambridge, MA USA (617)354-0456

Global Access Telecommunications Services Inc.
Boston, MA USA (617)624-7400
(800)648-4145
(800)648-3333 Operations

GM Communications
Los Angeles, CA USA (213)254-1049

Greater Chicago Videopath
McCook, IL USA (708)387-0127

GulfLink Communications Inc.
Baton Rouge, LA USA (800)344-6007

Gunner Communications Inc.
Stone Mountain, GA USA (404)634-1288
(800)792-1201

Hired Gun Microwave Communications Inc.
Freehold, NJ USA (908)303-0464

Virginia Department of Education Petition for Reconsideration of DA 02-1123

Attachment 5

3. TAPING/RECORDING
MISSION/RECEPTION

Convergent Media Systems
Atlanta, GA USA (770)262-1555
Cycle Sat Inc.
Forest City, IA USA (515)582-6999
Denver Uplink
Denver, CO USA (303)458-7273

Diversified Communications Inc. (DCI),
formerly Professional Video Transmission
Services (PPTS)
Washington, DC USA (202)775-4300
(800)333-0010

EDR Corporation
Beachwood, OH USA (216)292-7300
The Education Satellite Network
Columbia, MO USA (314)445-9920
Educational Television Services
Stillwater, OK USA (405)744-5960

Fifth Dimension Communications Inc.
Ottawa, ON CANADA (613)737-7333
(800)585-1471
(800)267-1221

Chuck Frankel Productions Inc.
Glenview, IL USA (708)657-1107
Fullerton College — Distance Education
Department
Fullerton, CA USA (714)992-7487
Grand Valley State University/WGVU TV
Grand Rapids, MI USA (616)771-6666
Group W Satellite Communications
Stamford, CT USA (203)965-6000
Hubcom Uplinks
St. Petersburg, FL USA (813)577-7759
Intelcom Group Inc.
Englewood, CO USA (303)397-4100
Interface Video Systems Inc.
Washington, DC USA (202)861-0500
KENS-TV
San Antonio, TX USA (210)366-5000
Keystone Communications
Los Angeles, CA USA (213)467-8900
Keystone Communications
San Diego, CA USA (619)569-8451
Keystone Communications
New York, NY USA (212)869-4575
Keystone Communications
Washington, DC USA (202)737-4440
KPBS
San Diego, CA USA (619)594-1313
Leamsat Systems Inc.
Stillwater, OK USA (405)377-6100
LeMasters Electronics
Marion, IL USA (618)993-8689

Magnetech Corporation
Fort Lauderdale, FL USA (954)791-6711
(800)683-3873
(954)328-9541 24 hours

Media Casting Telecommunication Inc.
Brossard, PQ CANADA (514)926-0040

Merrill Lynch Video
New York, NY USA (212)236-8398
Mobile Video Services Ltd.
Washington, DC USA (202)331-8882
National Gateway Video
Carteret, NJ USA (908)969-3191
Networks Teleports
New Orleans, LA USA (504)942-9200
New England Satellite Systems Inc.
Shrewsbury, MA USA (508)842-4328
New Mexico Teleport Inc.
Albuquerque, NM USA (505)275-3832
NorthCom
Livonia, MI USA (313)953-9221
Northwest Teleproductions/Chicago Inc.
Chicago, IL USA (312)337-8000
Ohio Educational Telecommunications
Columbus, OH USA (614)844-1714
Ohio University Telecommunications Center
Athens, OH USA (614)593-1771
Pittsburgh International Teleport
Pittsburgh, PA USA (800)634-6530
Portland Community College
Portland, OR USA (503)244-8111
Rainbow Network Communications
Woodbury, NY
USA (516)364-2222, ext. 862/863
RXI, Pulitzer
Spokane, WA USA (509)536-7919
San Diego Teleproductions
San Diego, CA USA (619)293-7777
Satellite Communication Systems
Wauconda, IL USA (708)526-3020
(800)872-5465

SDTV — San Diego Teleproductions
San Diego, CA USA (619)293-7777
Southern Exposure Satellite Communications Inc.
West Palm Beach, FL USA (407)379-6041
Teleport London International
Gerrards Cross, Buckinghamshire
UNITED KINGDOM 1494 874 974
The Triad Media Group Inc.
Frederick, MD USA (301)663-1471
University of Arizona
Tucson, AZ USA (520)621-8632
UNO Television
Omaha, NE USA (402)554-2516
Upsouth Corporation
Atlanta, GA USA (770)325-0818
Videocom Satellite Associates Inc./Videocom
Teleport Boston
Dedham, MA USA (617)329-4080
VISTA Satellite Communications Inc.
Boca Raton, FL USA (407)362-0500
Voyager Telecommunications Inc.
Tucson, AZ USA (703)551-2075
Voyager Telecommunications Inc.
Manassas, VA USA (703)551-2075
WCET
Cincinnati, OH USA (513)381-4033
WQED Pittsburgh
Pittsburgh, PA USA (412)622-1508

VIDEO- CONFERENCING, TRANSMISSION/ RECEPTION

AGV Corporate Video Service Inc.
Floral Park, NY USA (516)352-2027

Alascom Inc.
Anchorage, AK USA (907)264-7000
American Communication Services Inc.
Elmhurst, IL USA (708)941-8352
American Telesource International Inc. (ATI)
San Antonio, TX USA (210)558-6090
Amundsen Electronics Inc.
Margaretville, NY USA (914)586-2655
Annenberg Center at Eisenhower
Rancho Mirage, CA USA (619)773-4500
Antenna Installation Service Inc.
Sugar Grove, IL USA (708)466-4304
Antenna Systems Inc.
Paterson, NJ USA (201)279-6048
AntennaPro Inc.
Denver, CO USA (303)369-5666
ATC/Antenna Technology Communications Inc.
Mesa, AZ USA (602)264-7275
Atlantic Satellite Communications Inc.
Northvale, NJ USA (201)784-0555
Atlantic Video Inc.
Washington, DC USA (202)408-0900
AT&T Tridom
Marietta, GA USA (770)426-4261
(800)346-1174
Auburn University Satellite Uplink
Auburn, AL USA (334)844-5707
Autotod Communication Services Inc.
New York, NY USA (212)753-6024
BAF Communication Ltd.
Redditch, Warwickshire
UNITED KINGDOM 1527-597-850

BAF Communications Corporation
Sanford, FL USA (407)324-8250
(800)633-8223

BAF Communications Corporation — European
Sales and Services Ematec
Zaventem, BELGIUM 27-252-215
BLR Communications Inc.
Ellicott City, MD USA (800)442-9199
(410)750-1400

Bock Antenna & Satellite Inc.
Love Park, IL USA (815)282-3600
Bonded Satellite
Phoenix, AZ USA (602)482-0423
B&P The Spaceconnection Inc.
Van Nuys, CA USA (818)909-9966
Broadcast Satellite International Inc.
Plano, TX USA (214)250-1100
Buffalo Teleport Inc.
Buffalo, NY USA (716)874-2668
Cabletech Satellite Systems Inc.
Westbury, NY USA (516)997-7070
California State University — Chico
Chico, CA USA (916)896-6105
Canadian Satellite Communications Inc.
Mississauga, ON CANADA (416)272-4960
Comtel
Miami, FL USA (305)948-9116
Connex International Inc.
Danbury, CT USA (800)426-6839
Conus Communications Inc.
Minneapolis, MN USA (612)642-4645
Convergent Media Systems
Atlanta, GA USA (770)262-1555
Country Cable TV Inc.
Ocala, FL USA (912)468-9445
Crawford Satellite Services
Atlanta, GA USA (770)876-7149
C2C Communications Group
Calgary, AB CANADA (403)291-1630



COMMONWEALTH of VIRGINIA

DEPARTMENT OF EDUCATION

P.O. BOX 2120
RICHMOND 23218-2120

January 11, 2000

Ms. Cheryl Parrino
CEO Universal Service Administrative Company
C/O 2120 L St., NW, Suite 600
Washington, DC 20037

Dear Ms. Parrino:

The Virginia Department of Education was denied discount funding for year two satellite services by the Schools and Libraries Division (SLD) of the Universal Service Administrative Company. The Department's 471 application number is 0000134685 and funding request number is 0000213047.

The Department has submitted an appeal to SLD to fund our application. While that appeal is pending, we feel it prudent to begin gathering information for a final appeal before the Federal Communications Commission, should the need arise.

Please provide the following information to assist the Department with its appeal and also instruct the SLD not to issue a negative ruling on the Department's appeal until the requested information has been provided.

Information requested of USAC/SLD:

- A list of all companies USAC determined to have improperly received support for telecommunications services under the Schools and Libraries program, as indicated by an October 8, 1999 letter from D. Scott Barash to Magalie Roman Salas, and dates of those determinations,
- Copies of all communication to and from Autotote Communications, SPIN 143013740 and USAC/SLD between January 1, 1998 and present,
- Copies of all SLD documentation concerning the Department's above application,
- The policy manual used by Program Integrity Assurance for evaluation of year two applications and year one applications,

Ms. Parrino
January 11, 2000
Page 2

- Criteria USAC/SLD used between April 6, 1999 and December 22, 1999 to determine which companies were eligible for telecommunications service support for the Schools and Libraries program during the period, including information required on Forms 498 and 457, and
- A list of Principal Communications Business Codes required on line three of form 498 which would exclude companies from receiving telecommunications service support from USAC under the Schools and Libraries program and rationale.

We believe the above information is vital to establishing a logical and thorough appeal to the Federal Communications Commission (FCC). Because FCC regulations require appeals to be filed within 30 days of issuance of a decision by SLD, we feel that the above requested information must be in hand at the Department before a decision is rendered on our appeal by SLD.

Please send the information to:
Greg Weisiger
Virginia Department of Education
P.O. Box 2120
Richmond, Virginia 23218

Thank you for your prompt attention to this matter.

Sincerely,


Greg Weisiger
Virginia Department of Education

CC: Lan Neugent
Kate Moore
SLD Board



COMMONWEALTH of VIRGINIA

DEPARTMENT OF EDUCATION

P.O. BOX 2120
RICHMOND 23218-2120

December 22, 1999

Letter of Appeal
Schools and Libraries Division
Box 125
Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

Dear SLD:

This letter is to appeal your December 14, 1999, denial of funding for the Virginia Department of Education:

Form 471 Application Number: 134685
Billed Entity Number: 126512
Funding Request Number: 000213047
SPIN: 143013740, Autotote Communications

The Department's application for discounts on satellite transponder lease was denied by SLD because "This FRN is a request for Telecommunications Service from a provider which is not a telecommunications common carrier service provider." Autotote Communications is a provider of telecommunications on a common carrier basis.

Federal Communication Commission regulations governing the Universal Service program offer the following definitions of "telecommunications" and "telecommunications carrier" under CFR 47 Part 54 Section 54.1:

Telecommunications. "Telecommunications" is the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

Telecommunications carrier. A "telecommunications carrier" is any provider of telecommunications services, except that such term does not include aggregators of telecommunications services as defined in section 226 of the Act. A telecommunications carrier shall be treated as a common carrier under the Act only to the extent that it is engaged in

Virginia Department of Education Letter of Appeal
Page 2

providing telecommunications services, except that the Commission shall determine whether the provision of fixed and mobile satellite service shall be treated as common carriage. This definition includes cellular mobile radio service (CMRS) providers, interexchange carriers (IXCs) and, to the extent they are acting as telecommunications carriers, companies that provide both telecommunications and information services. Private mobile radio service (PMRS) providers are telecommunications carriers to the extent they provide domestic or international telecommunications for a fee directly to the public.

Commission regulations governing allowable services eligible for Universal Service discounts are covered under CFR 47 Part 54 Section 54.502:

For purposes of this subpart, supported telecommunications services provided by telecommunications carriers include all commercially available telecommunications services in addition to all reasonable charges that are incurred by taking such services, such as state and federal taxes. Charges for termination liability, penalty surcharges, and other charges not included in the cost of taking such service shall not be covered by the universal service support mechanisms.

Autotote Communications leases satellite transponder space segment directly to the public, and advertises availability of their services in national trade publications (Attachment 1). Tony Verzello, also in Attachment 1, is an employee of Autotote Communications and is responsible for leasing of Autotote transponder time to the public.

The Department, through an IFB from the Department of Information Technology (DIT), requested bids for telecommunications services during the 1999 – 2000 funding cycle. In the IFB (Attachment 2), DIT specified that vendors "... must be qualified 'Common Carriers' as defined by the Federal Communications Commission."

Because Autotote does, in fact, offer telecommunications services on a common carrier basis, offered the lowest price, agreed to participate in the E-Rate program, and had provided service to the Department in the past, Autotote was selected as vendor for the period July 1, 1999 through June 30 2000.

The Department also had very little concern regarding the status of Autotote as a common carrier because the Schools and Libraries Corporation approved discounts to the Department for services provided by Autotote between January 1, 1998 and June 30, 1998, of the first funding year.

Had the Department known that Autotote was not a common carrier as defined by SLD at the time bids were accepted, Autotote's bid certainly would have been rejected and the secondary bidder, Spaceconnection, would have been accepted.

Virginia Department of Education Letter of Appeal
Page 3

However, based on previous experience with the E-rate program, the Department had no way of knowing that Autotote's status at SLD had changed and therefore accepted their bid.

The Department contends that Autotote is a telecommunications carrier and does offer telecommunications services on a common carrier basis. The SLD denial letter contained no evidence to contradict the fact that Autotote offers services in accordance with CFR 47 Part 54 Section 54.1 or 54.502, and provided herein. Therefore, we ask that this denial be reconsidered and discount funding granted.

Please contact Greg Weisiger, E-Rate coordinator, at (804) 692-0335, for additional information on this appeal.

Sincerely,

Lan Neugent
Assistant Superintendent for Technology



COMMONWEALTH of VIRGINIA

DEPARTMENT OF EDUCATION

P.O. BOX 2120
RICHMOND 23218-2120

May 10, 2000

Schools and Libraries Division
Letter of Appeal
Box 125 -- Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

Dear Sir or Madam:

This letter is to inform you that the Virginia Department of Education wishes to appeal your decision for Funding Request Number 344585, Form 471 Application Number 163045, Entity Number 126512. Funding was denied for telecommunications service because SLD believes "This FRN is a request for Telecommunications Service from a provider which is not a telecommunications carrier service provider."

In consideration of the Joplin, MO decision remanded to SLD December 14, 1999, and subsequent SLD decision to fund the Joplin E-Rate application, we ask that SLD review this decision in the same context as Joplin, as the DOE application is essentially identical to the Joplin appeal of February 26, 1999.

The Department also has an appeal pending for year two funding, and is awaiting supporting documentation from SLD. This appeal will have material impact on the SLD year three denial cited above.

Please direct any questions to Greg Weisiger at (804) 692-0335 or email gweisige@pen.k12.va.us.

Sincerely,


Lan Neugent
Assistant Superintendent for Technology

LWN/emt